GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:5075
ANSWERED ON:11.05.2007
IMPORT DUTY ON NATURAL RUBBER
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Will the Minister of FINANCE be pleased to state:

(a) the country-wise, rate of duty for import of natural rubber into India;

(b) whether the Government is considering any proposal to reduce import duty on natural rubber for purchases from Thailand;

(c) if so, the details thereof and reasons therefor;

(d) whether the Government is aware that due to increased imports during the year 2006-07, the indigenous price of natural rubber has come down to the detriment of rubber growers particularly in Kerala; and

(e) if so, the details thereof and Government's reaction thereto?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a) The general rate of customs duty for 'natural rubber latex' is 70% and it is 20% for 'natural rubber in all other forms'. However, under various trade agreements including 'Preferential Trade Agreements' and 'Free Trade Agreements', concessional rates of customs duty have been provided for import of natural rubber from specified countries, subject to fulfillment of specified criteria. Rate of duty applicable under these Agreements is as under:

S. No.	Country of origin	Rate of customs duty on natural rubber
1.	Bangladesh, People's Republic of China, Republic of Korea and Sri Lanka	(i) 39.9% for natural rubber latex (ii) 16% for natural rubber in other forms
2.	Nepal	Nil
3.	Bhutan	Nil

(b) & (c) At present, there is no proposal under consideration of the Government for reduction of import duty on natural rubber imported from Thailand.

(d) & (e) During 2006-07, Ministry of Finance has not received any representation from rubber growers indicating reduction in indigenous price of natural rubber during 2006-07 on account of increased imports. Interests of all concerned including rubber growers have been taken into account while fixing the customs duty rate.